

COLE APPEARED  
PAGE 1 Sec

CHICAGO TRIBUNE  
27 August 1987

# Casey ignored CIA critics, aide testifies

From Chicago Tribune wires

WASHINGTON—The late CIA director William Casey bypassed subordinates who complained that unsavory people were helping run the Reagan administration's secret weapons sales to Iran, a top Casey aide told Congress in testimony released Wednesday.

Clair George, the agency's deputy director for operations, said Casey over-ruled his strong objections to individuals involved in the weapons deals, including retired Air Force Maj. Gen. Richard Secord, who arranged logistics for arms shipments, and Manucher Ghorbanifar, an Iranian middleman whom George called "a bum"

and "a liar."

Some sensitive portions of George's closed-door testimony, which was given Aug. 5 and 6 before the congressional Iran-contra committees, were blacked out.

George said he went directly to Casey with his objections after learning that Ghorbanifar was the only intermediary for dealings with Iran.

"I said, 'Bill, I am not going to run this guy any more,' which means in our language, 'I will not handle him, he is a bum,'" George said.

However, George said, he now knows Casey began to circumvent subordinates who objected

to the plan.

In fact, after hearing George's objections to Ghorbanifar, Casey assigned Charles Allen, the national intelligence officer for terrorism but an official without operational experience, to work with Ghorbanifar.

"There couldn't have been a better mismatch," said George, contending that Allen was unprepared to deal with a character as complex as Ghorbanifar.

George said the CIA regarded Secord with suspicion because of his involvement in the international arms market and because he had been associated with renegade CIA agent Edwin Wilson, who now is in prison for selling explosives to Libya.

Casey, a longtime friend and adviser to President Reagan, resigned as CIA director in February after being hospitalized seven weeks earlier with a brain seizure. He died of brain cancer in May.

George was questioned sharply about his contention before another congressional panel last October that the CIA had no role in secret resupply operations to aid the Nicaraguan contras. The claim has since been contradicted by other agency officials who detailed their involvement in the covert operation, which was partially financed with proceeds from the Iran weapons sales.

George said he had intended to tell Congress during his earlier appearance that the CIA had no unauthorized role, because he believed the agency was allowed to share intelligence with the supply network. George apologized for his earlier statements.

He denied, however, that he knew anything about the diversion of funds from the Iran arms sales to the contras before it was disclosed publicly by Atty. Gen. Edwin Meese last Nov. 25.

George did say that Casey told a group of agency officials about the diversion scheme shortly before the CIA director was scheduled to testify before Congress last December that he did not know anything about it. Casey suffered the brain seizure and never testified.

George, who testified with Assistant Secretary of State Elliott Abrams last Oct. 14 to the House Intelligence Committee, also said he was surprised at the strength of Abrams' denial that the U.S. government was involved in contra resupply flights.

"It was so categorical. It was the sort of thought that went through my mind, 'Excuse me, Elliott, but maybe you are the only guy in town that hasn't heard this news'" about U.S. help for the contras, George testified. There had been numerous press reports linking Marine Lt. Col. Oliver North to the contras, he pointed out.

But he didn't speak up to contradict Abrams because, George said, he was "overly taken with trying to protect the Central Intelligence Agency."

George also said he has discussed with investigators for Independent Counsel Lawrence Walsh a missing CIA cable from agents in Portugal to CIA headquarters. According to the testimony of unnamed agents, the cable disclosed that U.S.-made Hawk missiles—not oil-drilling equipment as publicly claimed—were the cargo of a shipment that Secord was trying to move from Israel to Iran in November, 1985.

George said he could not understand how such a cable, if sent, could disappear at CIA headquarters. "I would find it impossible unless there is a cabal of people engaged in a cover-up to sort of send a cable like that, somehow get all the copies of it and make it disappear."

After Casey's deputy, John McMahon, discovered that the November, 1985, cargo contained arms, he demanded that CIA officials draft a "finding" for Reagan to sign giving retroactive approval to agency participation in the shipment, George said.

George painted North, whom Reagan subsequently fired from his job at the National Security Council, as someone who fought with co-workers and superiors for his ideas, many of which may have been unrealistically grandiose.

"Ollie wasted no time. If I gave him the wrong answer, he called Bill Casey to see if he could get it changed," George said.

STAT